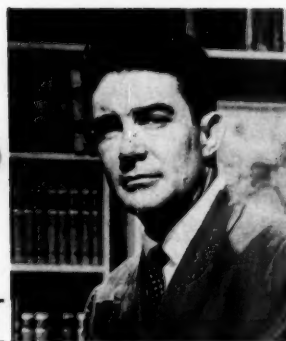


THE *Dan Smoot Report*



DAN SMOOT

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Paralysis

Tom R. Hutton, a colonel in the U. S. Air Force, Retired, is the head of an organization called SPX Research Associates.

SPX is a cryptic abbreviation for "Soviet Principle Ten."

Colonel Hutton believes that an essential element of communist warfare for conquest of the world is *paralysis of the enemy* — infiltrating his institutions, corrupting the streams of public thought, and subverting his governmental establishment, for the purpose of paralyzing him into inactivity: dissipating his will to resist communism, and destroying the legal weapons which he might otherwise use to protect his society against communist conquest.

Since 1943, while still an intelligence officer in the Air Force and after his retirement, Colonel Hutton has studied Soviet application of this principle of paralysis.

His conclusions are startling.

In February, 1958, Colonel Hutton's SPX Research Associates submitted to the Internal Security Subcommittee a staff study in support of Senator Jenner's proposed bill (Senate 2646) to limit the appellate jurisdiction of the Supreme Court.

Colonel Hutton's staff study alleges that the Supreme Court of the United States has been used as an effective instrument of communist world conquest. It has performed this service to communism with a series of decisions which have paralyzed America's efforts to investigate, expose, and prosecute the communist conspiracy in America.

To illustrate the effectiveness of the Soviet principle of paralysis, as an essential element of world conquest, Colonel Hutton describes the present situation in these words:

For 15 years, we have ignored the basic truth of Sun Tzu's 2,000-year-old warning: "Supreme excellence consists in breaking the enemy's resistance without fighting."

That is what our global enemy has been doing to us.

Cumulative situation maps of those 15 years show that, as of this date, communist im-

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perialism, variously camouflaged —

1. Has conquered more than a quarter of the earth's surface;

2. Has enslaved nearly half the planet's peoples;

3. Has taken over more lands, peoples, developed and undeveloped resources than all the conquerors of history combined;

4. Has done all these things without losses; . . .

5. Still retains insidious offensive in unconventional warfare against which the free world . . . has no adequate plan or effective method of defense.

6. Threatens, interdicts, or flanks vital communication lines and economic arteries of the free world.

This situation, unparalleled in military history, is not a product of conventional warfare.

It results from unopposed enemy activation and application of paralysis as the 10th of principle of warfare.

For convenience, we call it SPX — Soviet Principle 10.

Paralysis is the essential element of the communist global conquest.

Without commenting on Colonel Hutton's allegations against the Supreme Court; without trying to evaluate the validity or effectiveness of his research—it is safe, I believe, to say that his conclusions about the present situation are correct: the Soviets have done all these things, and there still appears to be no effective plan — or perceptible will — among ruling authorities in the west to resist communism.

* * * * *

Tragic Confusion

Further evidence of the tragic confusion — the paralysis — of western leadership which makes resistance to communism seem impossible (indeed, which converts much of our official "anti-communist" activity into substantial help for communism) can be found in a speech which Congressman Timothy P.

Sheehan (Republican, Illinois) made on the floor of the House, May 14, 1958.

Congressman Sheehan presented documented information supplied by two anti-communist leaders from Western Germany: Dr. Walter Becher, Secretary General of the Sudeten German Council; and George Brada, an exiled Czech journalist now living in Munich.

Both these men visited America in February, 1958, and gave Congressman Sheehan detailed information on the Communist State Security System which operates in all communist countries and which is primarily responsible for the phenomenon of communist control of whole populations of people who hate and fear communists.

Basically, the Communist State Security System is a vast, hidden organization of *agent-provocateurs* — people who pretend to be under-ground anti-communists. By criticizing communism and communist leadership, these agents worm their way into the confidence of people who are genuinely anti-communist. They can thus identify persons who are disgruntled or "disloyal" to communism and mark them for liquidation. This not only eliminates people who oppose communism: it spreads such fear and suspicion throughout the populace that everyone becomes afraid to join any kind of anti-communist movement, lest it be a trap.

Congressman Sheehan describes this horrible communist operation in some detail; but here are the most significant passages from his speech:

In the West, the communist system is a conspiracy with front men and front organizations, spies, secret members, crypto-communist pseudo-democratic newspapers, radio stations and financial backing. The visible communist parties in the west are the mere visible tops of hidden icebergs.

In the East, the situation is the same . . .

Western agencies, official as well as private ones, have continuously received reports to

this effect, but instead of using these reports to warn the free people as well as the enslaved nations, these agencies have done everything to suppress this information

What we have been taught about communism by Western experts, journalists and radio men, by the big press as well as official sources, by the Voice of America, Radio Free Europe, Radio Liberation, etc., has been unrealistic and untrue. All these teachings have been mere naive illusions about communism, spread either deliberately or out of ignorance. These superficial doctrines maintain that the communist system is a system of visible communist parties and visible communist party members, in both the West and the East. The truth is quite different. The truth is that in both the West and the East, the real communist system is behind the scenes, invisible, that it is an "invisible government"—using the words of General MacArthur.

DeGaulle and the CIA

Additional information bearing on the tragic paralysis of American effort to resist communism was given me this week by a man who is a reliable source of information about what is going on inside Washington: a man whom I regard as among the top three anti-communist experts in America; a man who has spent a lifetime studying and fighting communism; a man who has seen communism in operation all over the world; who has served many years in various intelligence and investigative agencies of government; who has lived and worked (and watched the incredible scene) in Washington for so long that — it must be admitted — he has grown somewhat cynically pessimistic about the future of freedom.

In his most recent report to me, he said:

Be careful about DeGaulle. During the war, the best informed people in American intelligence agencies were worried about DeGaulle's secret connivance with the French communist party, until they found out why.

The communists in Nazi-occupied France were the only ones with the necessary means of obtaining or forging all the documents and papers which secret DeGaullists landing in France needed for underground work.

Moreover, DeGaulle found out, to his cost, that any of his agents who did not clear through the communist underground were promptly "fingering" to the German Gestapo, and executed. The American Office of Strategic Services had to make similar "arrangements" with the communists in France to protect our people.

In the current liberal-internationalist smear of DeGaulle, the lefties hammer the fact that DeGaulle is anti-American; but they never tell why.

Here is why:

First off, DeGaulle is no fool. He quickly saw through that super-confidence-man, Franklin D. Roosevelt. Next, DeGaulle's intelligence was good: DeGaulle knew that the now-sainted FDR was surrounded and inspired by communists.

A former important State Department official told me that, several years ago, he talked with DeGaulle's chief of intelligence.

The DeGaulle intelligence chief complained bitterly that the American Central Intelligence Agency was spending millions of dollars in France on all the little guttersnipe leftist papers it could find — papers which were blatantly anti-American, and generally socialist or radical. The Central Intelligence Agency claimed that it was building up in France a "third force" against communism. But the force which CIA subsidized with American tax money was pro-communist and anti-American — and it was mainly against DeGaulle. The American CIA feared DeGaulle more than it did the communists.

Hence, all the present clamor about DeGaulle and some of his henchmen being anti-American. They are, for very good reasons, anti-CIA, which is something else again. The New York Times was almost hysterical about

DeGaulle coming to power — you can understand why.

I personally doubt that DeGaulle has the character to regenerate and restore France, although I wish him success.

I think France's role on the stage of history is over and that she will never come back. Maybe the military can cauterize out the rot of defeatism, pacifism, radicalism, and degenerate communism; but I doubt it. I think it has gone too far.

There isn't the slightest possibility of a Congressional investigation into that super-state Central Intelligence Agency; and, until we do have such an investigation, our foreign policy will continue as a calculated and planned weakening of America and a strengthening of Russia to the final day when armed resistance would be futile and suicidal, and we throw in the sponge by default.

Politics as Usual

My Washington friend concluded his latest report to me with this postscript:

Talk about town here is that both of your fine Texans — Sam Rayburn and Lyndon Johnson — have issued orders that there be no further exposes of communist espionage or of communist infiltration into government and unions. Both want absolute peace, to build up for 1960 so that Democrats can capture the liberal-labor vote. This unpublicized 'unofficial' Rayburn-Johnson order is referred to around here as 'Operation Fold-up' — folding up the anti-communist tent and silently sneaking away.

American Self-Destruction

More interesting evidence of American paralysis — or suicidal self-destruction — in the struggle against communism can be found in a speech which Mr. William L. McGrath made to the Cincinnati Club. Mr. McGrath, President of the Williamson Company of Cincinnati, was for several years a United States Employer Delegate to the International Labor

Organization and a Member of the Governing Body of that UN agency.

In his speech, Mr. McGrath mentioned the astronomical sums which America has given in foreign aid and then posed the question: why do we give it? The answer: to fight communism. What is communism? Mr. McGrath concludes that communism and socialism are the same thing, and that our foreign aid, given under the pretext of fighting communism, has been financing socialism — which is what we are supposed to be fighting.

Mr. McGrath says:

The underlying principle of communism and socialism is exactly the same — namely, government ownership or . . . nationalization. . . . Our foreign aid has in many countries accelerated the trend toward nationalization of industry. . . .

Few people in this country have . . . any concept of how far nationalization of industry has gone in other nations around the globe. . . .

It so happens that I have a source of specific information on that subject. . . . Last year, as a member of the Governing Body of the International Labor Organization, I received a copy of a report issued by . . . the McNair Committee, set up by the ILO to study, in each country, the extent of freedom of employer's and worker's organizations from domination and control by their governments. . . .

On the basis of . . . information . . . summarized in the McNair Committee Report, I am . . . going to . . . give you some highlights as to how nationalization stands the world over today. . . .

We think of Canada as a free enterprise nation. And yet in Canada the government owns and operates railways, airlines, telegraph and telephone and postal services, broadcasting, banks and steamships.

In Brazil the government operates bank, electric and gas services, railroads and coast-

wise navigation. And there we find that peculiar device known as the "mixed company"—that is, a company in which the government owns the majority, or a large portion, of the shares of stock, and private investors own the rest. In Brazil such companies operate in the iron and steel, automobile and other industries.

Our country has given Brazil, in post war foreign aid grants, \$26,900,000.

Now let's go across the Atlantic to England, probably our most important military ally. Nationalization of industry is limited in England. It is confined chiefly to telephone and telegraph, broadcasting, gas, electricity, railroads, trucking, canals and coal mining. In the main, the free competitive system is still operating in Great Britain. But England has socialized medicine, which our money has helped finance.

Our post-war foreign aid grants to the British Isles have totaled \$3,763,000,000.

Now let's cross the Channel into Scandinavia. In Norway the telephone, telegraph and public utilities are government monopolies. There is government ownership in railroads, grain, aluminum, iron and steel, banking and insurance. In Sweden the government owns the telephone and telegraph, the railways and hydro-electric power sources. Companies directly or indirectly controlled by the government operate in the fields of mining, iron and steel, automobiles, oil, transport, grain, restaurants and banking. In both countries the government has a monopoly on liquor.

Our post-war foreign aid grants to Norway totaled \$236,000,000—those to Sweden, \$87,000,000.

Even before World War II the Austrian government had a monopoly on liquor, tobacco and salt, and it also ran drug stores! After the war, 71 industrial or commercial enterprises which had been stock companies, were transferred to government ownership. Today the government owns and operates

most of the coal mines, most of the iron and steel plants, most of the electrical industry, and is engaged in the manufacture of chemicals, in shipbuilding and in banking. In 1949, says the McNair Report, nationalized undertakings represented 93% of the country's total output of raw materials and basic products.

We have given Austria, in post-war foreign aid grants, a total of \$1,061,000,000.

The French government owns the Renault plants, which produce the major share of the country's private automobiles, commercial vehicles and tractors. Electricity, gas and the insurance industry are nationalized. So are railroads, air transport and broadcasting. The banks are almost entirely government-owned. The government owns newspapers and controls a large press association. Most of the concerns producing aircraft bodies and engines are nationalized. The government has large holdings in the petroleum industry. It has a monopoly on the purchase, sale and import of tobacco. In addition, France has a large number of mixed stock companies, owned partly by the government and partly by private investors.

We have given France, in post-war foreign aid grants, a total of \$4,333,000,000.

In Italy the government owns the railways and the telephone and telegraph system. It has a monopoly on salt, tobacco and quinine. It is in the banking business. Industries in which the state participates include chemicals, petroleum, coal, movies, airlines, electricity, iron and steel, shipyards, and shipping, and broadcasting. . . .

Italian government-controlled companies produce 85% of the coal, 80% of the lignite, 80% of the pigiron, 65% of the steel, 80% of the shipbuilding and 73% of railroad transportation.

Our post-war foreign aid grants to Italy have totaled \$2,574,000,000.

We think of Turkey as a nation with western ideas. Nevertheless the Turkish govern-

ment reports: "Commercial and industrial undertakings set up by the state include textiles, shoes, cellulose, cement, iron and steel, brick, mining, electricity and shipping." The state has a monopoly on tobacco, salt and liquor.

At an ILO Conference a Turkish gentleman said to me, "We have no communists in Turkey so we get millions from your country; whereas France that has a strong communist party, gets billions. If we encouraged the communists maybe we could get more foreign aid money."

Our post-war foreign aid grants to Turkey have totaled \$495,000,000.

As to India, we hear a good deal about a policy of neutralism. But from an ideological standpoint, India is far from neutral.

In 1948 the Indian government adopted a resolution which stated that the government should be exclusively responsible for the establishment of new undertakings in coal, petroleum, iron and steel, heavy machinery, aircraft manufacture, shipbuilding, the manufacture of telephone and telegraph and wireless apparatus, etc., — except, states the resolution, where in the national interest it was necessary to secure the cooperation of private enterprise.

A further resolution passed in 1954 stated: "The objective of the economic policy should be a socialistic pattern of society."

Government ownership in India extends into banking, airlines, railways, the telegraph and telephone system, machine tools, shipbuilding, medicines, fertilizers and insecticides, chemicals, housing, foundries, news print, iron and steel and many other industrial fields.

At the International Labor Organization Conference which I attended in June, 1952, one of the proposals put forward by the socialist labor-government coalition in control of the ILO, was that the ILO should draft a basic international law, subject to ratification as a treaty, which would, among other things, socialize insurance. It was admitted by one of

the left-wing speakers at that session that one of the objectives was that of outlawing private insurance companies. This seemed preposterous, and delegates from the western countries simply couldn't take it seriously. But just last Fall, India nationalized its private insurance companies to the tune of some 14 billion dollars.

Our post-war foreign aid grants to India have totaled \$216,000,000 to say nothing of even larger disguised aid in the form of so-called sales of farm surpluses.

In 1948, Pakistan passed a law providing that the central government should take over the planning and regulation of 27 industries, including practically all the basic industries of the country.

At one of the ILO Conferences which I attended, an employer representative from Pakistan introduced a resolution to the effect that it would greatly benefit the advancement of underdeveloped countries if there could be created, in those countries, a climate more favorable to the investment of private capital in industrial enterprises. Whereupon a gentleman representing the British Labor Party stated emphatically that in his opinion the investment of private capital in industrial enterprises should be absolutely forbidden. He said that government, and government only, should be allowed to invest money in industrial enterprises. His oration killed the resolution of the employer from Pakistan. The Pakistan climate has continued to be unfavorable to private enterprise, and our post-war foreign aid grants to Pakistan have totaled \$222,500,000.

One of the first acts of Indonesia as an independent nation was to adopt a constitution which laid down the principal that branches of production which are "important to the state and affect the lives of most people" should be controlled by the state. In these were included railways, telecommunications, interisland shipping, inland air transport, electric power and various other indus-

tries. The government has outlined a plan of industrialization which will include state-run factories making textiles, paper, cement, agricultural implements and other items.

Post-war foreign aid grants to Indonesia have totaled \$118,000,000.

Now let us go briefly to countries where communism is in full control.

As to the U.S.S.R. the McNair Report states: "With the exception of small private economies of independent peasants and handicraftsmen who are not authorized to employ paid workers, the nationalized sector of the economy covers the whole of the economic activities of the country."

This summarizes the communist system. Here is socialism in full operation. Yet, believe it or not, we have given the Soviet Union, in post-war foreign aid grants, \$465,000,000; we have given Czechoslovakia almost \$186,000,000; we have given Hungary \$5,800,000; we have given Poland almost \$356,000,000 and are giving Poland more today. And incidentally, we have given Yugoslavia \$734,000,000. . . .

When we give money to a country for economic aid, we don't give it to the people, we don't give it to businessmen — we give it to the government, and the government can then use it to start government-owned enterprises.

In fact, in many cases we deliberately encourage government to go into industrial operations, with a program similar to the Russian five-year plan, as a condition of receiving aid from the United States.

A Simple Question

On May 12, 1958, Congressman Gordon Scherer (Republican, Ohio) spoke on the floor of the House, in opposition to a rider (subsection f of Section 502) which had been tacked on to the 1958 Mutual Security Bill.

The rider provided that the United States will henceforth pay 25% of the cost of all

programs of the International Labor Organization — without specifying any limit on those programs. In other words, by this provision in the Mutual Security bill we would agree to underwrite 25% of all ILO activities, whatever they are.

Congressman Scherer wanted this ILO rider removed from the Mutual Security Bill so that Congress could consider the International Labor Organization, and our support of that agency, on their own merits.

He said:

Under the present law . . . the United States contribution is limited to an amount not to exceed \$1,750,000 per year. Since our entrance into the International Labor Organization, this amount has been regularly increased by action of the Congress. Previously, however, such action has been taken by separate resolution. In fact, there is now pending in the Foreign Affairs Committee, Senate Joint Resolution 73 to increase the existing \$1,750,000 ceiling to \$2 million. This resolution has already passed the Senate.

This is the first time we have sought to take such an important action insofar as ILO is concerned by a rider to the mutual security bill. The matter of increasing our contribution to the International Labor Organization is of such vital importance that it should not be considered in a rider. It should receive the careful and deliberate consideration of the Congress and be the subject of extensive debate.

There is more to be considered than an increase in our contribution to ILO. In fact, before the last session of Congress adjourned, I suggested on the floor of this House that we evaluate the whole question of our continued participation in ILO because it is obvious from a casual study of its present operations that it has gone far afield from its original purpose and stated objectives. . . .

ILO has long since ceased to be a body devoted to the affairs of labor and has instead be-

come a political forum and propaganda agency devoted chiefly to fostering the philosophy of socialism, communism, and the nationalization of industry. It has become an organization which is dedicated to the destruction of the very principles for which our country stands. . . .

Even if the international labor organization is everything the internationalists and one-worlders claim it to be, subsection 502 (f) is still not only undesirable but dangerous. It is a surrender by the Congress of its constitutional authority over the purse strings.

ILO today has 79 members. We pay one-fourth of the cost and have one-seventy-ninth of the votes. We have absolutely no control over the programs or total expenditures of ILO. It can expand its activities as it has been steadily doing without limit. It can, at the expense chiefly of the United States, undertake additional worldwide grants-in-aid programs over which we have absolutely no control since ILO is now completely dominated by the Socialist-Communist block.

By the passage of subsection 502 (f) in this bill, we will be compelled to pay 25 percent of the cost of ILO's programs and activities

whatever they might be. Since the average contribution of the other nations is less than 1 percent, there will be, if subsection 502 (f) is passed, little hesitancy in going forward with its costly worldwide programs. Up to this point these programs have been controlled by the fact that the present law puts a dollar limit on Uncle Sam's share of the expenses....

By passage of this section we are giving to an international body over which the Congress has no control the right to spend the funds of the taxpayers of the United States without limitation as to the amount or as to the nature and size of the program. . . .

The ILO is spreading the doctrines of socialism and collectivism all over the world. In short, the Socialists and the Communists have been gaining increasing headway in ILO, and the influence of the United States has been growing less and less. . . .

In the face of these facts, let me ask this simple question: Why should our country provide additional financing to an organization which is dedicated to the destruction of the very principles for which our country stands?

WHO IS DAN SMOOT?

Dan Smoot was born in Missouri. Reared in Texas, he attended SMU in Dallas, taking BA and MA degrees from that university in 1938 and 1940.

In 1941, he joined the faculty at Harvard as a Teaching Fellow in English, doing graduate work for the degree of Doctor of Philosophy in the field of American Civilization.

In 1942, he took leave of absence from Harvard in order to join the FBI. At the close of the war, he stayed in the FBI, rather than return to Harvard.

He served as an FBI Agent in all parts of the nation, handling all kinds of assignments. But for three and a half years, he worked exclusively on communist investigations in the industrial midwest. For two years following that, he was on FBI headquarters staff in Washington, as an Administrative Assistant to J. Edgar Hoover.

After nine and a half years in the FBI, Smoot resigned to help start the Facts Forum movement in Dallas. As the radio and television commentator for Facts Forum, Smoot, for almost four years spoke to a national audience giving both sides of great controversial issues.

In July, 1955, he resigned and started his own independent program, in order to give only one side — the side that uses fundamental American principles as a yardstick for measuring all important issues. Smoot now has no support from, or connections with, any other person or organization. His program is financed entirely from sales of his weekly publication, *The Dan Smoot Report*.

If you believe that Dan Smoot is providing effective tools for those who want to think and talk and write on the side of freedom, you can help immensely by subscribing, and encouraging others to subscribe, to *The Dan Smoot Report*.

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